

*amount equal to this payment shall be immediately paid by the state from the treasury to the permanent school fund. An amount owed by the state to the permanent school fund under this section shall be a general obligation of the state until paid. The amount of bonds authorized hereunder shall not exceed \$750 million or a higher amount authorized by a two-thirds record vote of both houses of the legislature. If the proceeds of bonds issued by the state are used to provide a loan to a school district and the district becomes delinquent on the loan payments, the amount of the delinquent payments shall be offset against state aid to which the district is otherwise entitled.*

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 7, 1989. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment to provide for using the permanent school fund and its income to guarantee bonds issued by the state for the purpose of aiding school districts."

Adopted by the Senate on May 2, 1989, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendments on May 28, 1989, by the following vote: Yeas 28, Nays 0. Adopted by the House, with amendments, on May 25, 1989, by the following vote: Yeas 121, Nays 20, one present not voting.

Filed with the Secretary of State, June 6, 1989.

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S.J.R. No. 59

SENATE JOINT RESOLUTION

proposing a constitutional amendment to authorize local governments to invest their funds as authorized by law.

*Be it resolved by the Legislature of the State of Texas:*

SECTION 1. Article III, Section 52, of the Texas Constitution is amended by adding Subsection (e) to read as follows:

*(e) A county, city, town, or other political corporation or subdivision of the state may invest its funds as authorized by law.*

SECTION 2. Article XI, Section 3, of the Texas Constitution is amended to read as follows:

Sec. 3. No county, city, or other municipal corporation shall hereafter become a subscriber to the capital of any private corporation or association, or make any appropriation or donation to the same, or in anywise loan its credit; but this shall not be construed to in any way affect any obligation heretofore undertaken pursuant to law *or to prevent a county, city, or other municipal corporation from investing its funds as authorized by law.*

SECTION 3. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 7, 1989. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment to authorize local governments to invest their funds as provided by law."

Adopted by the Senate on April 26, 1989, by the following vote: Yeas 25, Nays 0; and that the Senate concurred in House amendment on May 24, 1989, by the following vote: Yeas 31, Nays 0. Adopted by the House, with amendment, on May 22, 1989, by the following vote: Yeas 120, Nays 7, two present not voting.

Filed with the Secretary of State, May 31, 1989.